

# **A-1 STEEL AND IRON FOUNDRY (VANCOUVER) LTD.**

AND ITS WHOLLY-OWNED SUBSIDIARY

## **A-1 STEEL AND IRON FOUNDRY LTD.**



## **FINANCIAL REPORT**

### **1964**



# A-1 STEEL AND IRON FOUNDRY (VANCOUVER) LTD.

Incorporated under the Laws of the Province of British Columbia  
Vancouver, B. C.

## CAPITAL

### Authorized—

100,000 Class "A" Shares of No Par Value  
180,000 Class "B" Shares of No Par Value

### Issued and Fully Paid—

60,000 Class "A" Shares  
140,000 Class "B" Shares

## OFFICERS

Thomas Robert I'Anson	-	-	-	-	-	-	-	-	Chairman of the Board
John Pollock Stark	-	-	-	-	-	-	-	-	Vice-President and Managing Director
Ernest Charles Warner	-	-	-	-	-	-	-	-	President
Ian Alastair Shaw	-	-	-	-	-	-	-	-	Secretary
Gordon A. Green	-	-	-	-	-	-	-	-	Director

## BANKERS

BANK OF MONTREAL  
Vancouver, B. C.

## AUDITORS

Gunderson Stokes Walton & Co.  
Vancouver, B. C. Chartered Accountants

## TRANSFER AGENT AND REGISTRAR

The Royal Trust Company, Vancouver, B. C.

## FISCAL AGENTS

E. C. WARNER INVESTMENTS LTD.



## PRESIDENT'S REPORT TO THE SHAREHOLDERS

For my first report to you I am exceedingly proud to have the pleasure of telling you we have practically had a 40% increase in profits for the year on the old Company we took over. As I mentioned to you in my letter a little while ago, this was only accomplished by having such an excellent team, headed by Mr. John P. Stark, Vice-President and Managing Director. We are also all deeply appreciative for the wise counsel of our Chairman, Mr. Thomas I'Anson.

The future is going to present a great challenge. We need increased capacity, as quickly as possible, to keep up with the business that our salesmen and customers are turning in. Of course, I must warn you that in order to keep pace with this development, which is in your best interest, we must be ultra-conservative in our dividends because we cannot afford to miss the opportunities in our present competitive business conditions. This is no time for the small and weak as no doubt many of you know B.C. is expanding faster than any other Province in Canada.

It is our duty to you, our shareholders, to keep pace with developments so if you will bear with us for the next two or three years you will be rewarded for your patience and proud of our accomplishments; this I can promise you.

"WHAT WESTERN CANADA MAKES, MAKES WESTERN CANADA"

E. C. WARNER, *President*

## REPORT OF VICE-PRESIDENT & MANAGING DIRECTOR

With the closing of our first year of operation, it is a pleasure to report progress in keeping with my expectations.

Sales are up 25% over 1962 and this together with history of the old Company, in my opinion, is an indication that we can look forward to increasing sales and growth as B.C. continues to expand its industry and economy.

During the year, funds were expended to purchase Machinery and Equipment, to increase efficiency and production, and it is obvious that future growth will require: (1) Additional property

(2) Additional Machinery & Equipment

A close search disclosed that necessary property was not available in our present location, and, for this reason, it has been decided to locate the plant at 1775 Clark Drive, where a building and property are well suited to our requirements.

Sale of our present property will go a long way towards funds required for expansion and I expect to see substantial gains from our increased efficiency and increased production.

During the year, we decided to expand our Non-Ferrous division and with new equipment, we will be in a position to produce high quality products in Aluminum, Brass and Bronze.

My report would be incomplete if I did not express my gratitude to all the staff of this Company, who have been so ready and helpful in all phases of the operation; and special thanks for their great co-operation go to Mr. S. V. McDonald, General Manager, and to all heads of departments, whose continued support is a major asset of this Company.

JOHN P. STARK,  
*Vice-President & Managing Director*

## AUDITORS' REPORT

To the Shareholders,

A-1 STEEL AND IRON FOUNDRY (VANCOUVER) LTD.

We have examined the consolidated balance sheet of A-1 Steel and Iron Foundry (Vancouver) Ltd. and its wholly owned subsidiary A-1 Steel and Iron Foundry Ltd. as at February 29, 1964 and the consolidated statements of profit and loss and earned surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the above consolidated balance sheet and related consolidated statements of profit and loss and earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of A-1 Steel and Iron Foundry (Vancouver) Ltd. and its wholly-owned subsidiary A-1 Steel and Iron Foundry Ltd. as at February 29, 1964 and the results of their combined operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the company.

Vancouver, B.C.  
April 14, 1964.

GUNDERSON STOKES WALTON & CO.  
Chartered Accountants



# A-1 STEEL AND IRON FOUNDRY (VANCOUVER) LTD.

and its

WHOLLY-OWNED SUBSIDIARY

A-1 STEEL AND IRON FOUNDRY LTD.

## CONSOLIDATED BALANCE SHEET AS AT FEBRUARY 29, 1964

### ASSETS

#### CURRENT ASSETS

Accounts receivable less allowance for doubtful accounts .....	\$ 219,128	
Inventories, at the lower of cost or market .....	159,860	
Prepaid expenses and deposits .....	3,280	\$ 382,268

#### FIXED ASSETS, at cost

\$ 530,153	
Less accumulated depreciation .....	22,523
	507,630

#### INCORPORATION AND PRELIMINARY EXPENSES

12,198

APPROVED ON BEHALF OF THE BOARD

ERNEST C. WARNER, *President*

JOHN P. STARK, *Vice-President and Managing Director*

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\$ 902,096

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A-1 STEEL AND IRON FOUNDRY LTD.

## CONSOLIDATED BALANCE SHEET AS AT FEBRUARY 29, 1964

### LIABILITIES AND SHAREHOLDERS' EQUITY

#### CURRENT LIABILITIES

Bank overdraft .....	\$	4,973	
Accounts payable and accrued liabilities .....		177,843	
Dividend payable .....		9,000	
Estimated income taxes payable .....		47,301	\$ 239,117

#### SHAREHOLDERS' EQUITY

##### Share capital:

##### Authorized

100,000 Class "A" shares of no par value

180,000 Class "B" shares of no par value

##### Issued and fully paid

60,000 Class "A" shares ..... \$ 564,000

180,000 Class "B" shares ..... 14,000

\$ 578,000

Earned surplus ..... 84,979 662,979

\$ 902,096



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## CONSOLIDATED STATEMENT OF EARNED SURPLUS

FOR THE YEAR ENDED FEBRUARY 29, 1964

Gain on sale of land and buildings .....	\$ 22,162
Net profit for the year .....	98,817
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	\$ 120,979
Dividends declared on Class "A" shares .....	36,000
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Balance February 29, 1964 .....	\$ 84,979
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A-1 STEEL AND IRON FOUNDRY LTD.

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED FEBRUARY 29, 1964

Sales .....	\$1,384,114
Cost of sales .....	1,079,467
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GROSS PROFIT .....	\$ 304,647
Selling and administrative costs .....	158,529
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PROFIT BEFORE ESTIMATED INCOME TAXES ....	\$ 146,118
Estimated income taxes .....	47,301
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NET PROFIT FOR THE YEAR .....	\$ 98,817
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### Note:

Depreciation of \$22,523 is included in the above costs.





